



JLARC Has Found Substantial Savings

In more than 118 reports with over 327 recommendations since 1990, JLARC has linked substantial savings and avoided costs to the implementation of recommendations from its performance audits, sunset reviews, program evaluations, and special studies. These savings fall into three categories—**one-time** efficiencies, **ongoing annual** savings, and additional **potential** annual savings if JLARC recommendations were fully implemented. To track whether or not state agencies are implementing its recommendations, JLARC periodically follows up on the results of its major studies.

- **One-time** budget cuts, repayments, or realized cost avoidances **\$368 million**
(One-Time)
- **Ongoing annual** savings or realized cost avoidances **\$81 million**
(Annually)
- **Potential** annual savings or cost avoidances **\$164 million**
(Annually)

***Explanatory Note:** The assumptions underlying these dollar figures lead to generally conservative estimates. For example, with a range of dollar amounts, the low-end or mid-point estimate is used. Also, all dollar amounts are "present value" calculations. Detailed information can be provided on these summary figures.*

Where Does JLARC Get Its Work?

Each year JLARC carries out about a dozen performance audits and studies on behalf of the Legislature and citizens of Washington. This work comes to JLARC through a variety of ways, including citizen initiatives. **Initiative 775**, enacted at the 2001 election, creates a "Home Care Quality Authority" and directs JLARC to review its impacts every two years. The first review is due by December 2006. Other ways JLARC gets its studies . . .

- **Legislative provisos** in the operating, capital, and transportation budgets and in policy bills direct JLARC to do particular studies and report back to appropriate fiscal and policy committees. The 2001 biennial budgets directed a large number of studies to JLARC. **The 2002 Session added new studies in the supplemental operating budget—**

- ✓ Performance audit of the **Division of Developmental Disabilities** in DSHS. Interim report is due in December 2002, final report in June 2003.
- ✓ Operational review of the **Fish Management Division** of the Department of Fish and Wildlife. Status report is due in November 2002, final report in December 2003.

Policy bills in the 2002 Session also directed future studies to JLARC—

- ✓ SB 6439 **Disclosure of Public Records**. Legislation directs JLARC to review certain exemptions from disclosure of security-related public records. JLARC report is due by November 2004.
- ✓ HB 1268 **Civil Service Act**. Legislation directs JLARC to do a performance audit of the Act's new contracting-out provisions. JLARC report is due by January 2007.

- **Sunset dates** are inserted into legislation creating policies, state programs, and, sometimes, entire state agencies. Legislation enacted in 2000 changed Washington's Sunset Law [RCW 43.131] and strengthened JLARC's role in conducting sunset reviews. Performance measures and performance goals are now key parts of the sunset process. **The 2002 Session sent two new sunset reviews to JLARC—**

- ✓ HB 2671 **Permit Assistance Center**. JLARC review to be done during 2006.
- ✓ HB 2456 **Linked Deposit Program**. JLARC review to be done during 2007.

- **JLARC's Biennial Work Plan** reflects both mandated studies and the Committee's own priorities for study topics. For 2001-03, the heavy workload of mandated studies largely reflects the Committee's own priorities. JLARC's 2001 **Investing in the Environment** performance audit, however, is the most recent example of a Committee-initiated project.

JLARC's current Work Plan—and other information about the Committee's activities—can be found on its web site: **<http://jlarc.leg.wa.gov>**. The Committee encourages suggestions for studies that are likely to have significant policy or fiscal impact for the state.

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